



**MINISTER FOR THE ENVIRONMENT
MINISTER FOR ENERGY**

MC18-013681

12 NOV 2018

Mayor David O'Loughlin
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

Dear Mayor *David,*

Thank you for your letter to the former Minister for the Environment and Energy, the Hon Josh Frydenberg MP concerning the recent National General Assembly. The matters raised in your resolutions cross over both environment and energy issues, which are our respective responsibilities as Minister for the Environment and Minister for Energy.

We acknowledge the important role of the National General Assembly in highlighting local issues at a national level and providing opportunities for all levels of government, industry and the broader community to address these issues in a coordinated way. In response to the resolutions identified in your letter, we have enclosed responses to those that relate to the Environment and Energy Portfolio and we would like to thank the councils for submitting these resolutions.

We would also like to note that Resolution 47.1 refers to a review of the *Native Title Act 1993 (Commonwealth)* which does not directly pertain to the Environment and Energy Portfolio. We understand that this resolution has been referred to the Attorney-General's Department by the Australian Local Government Association Secretariat and that a response to this resolution will be provided by the Attorney-General, the Hon Christian Porter MP.

Thank you for raising these issues.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Melissa Price'.

MELISSA PRICE
Minister for the Environment

A handwritten signature in blue ink, appearing to read 'Angus Taylor'.

ANGUS TAYLOR
Minister for Energy

Resolution 7

That the National General Assembly calls on the Australian Government to:

: Build upon existing initiatives including industry product stewardship schemes, and directives on recyclable packaging, to ensure packaging and products are designed for minimal packaging, re-use, recycling and repair, with the disposal costs included in the purchase or disposal price;

: Ensure the goals and objectives set out in the Australian Packaging Covenant Strategic Plan 2017-2022 are prioritised and achieved as a matter of urgency;

: Financially support regional waste management solutions for advanced alternative waste treatment and processing;

: Ensure government and industry procurement and tenders specify the use of products with recycled content, minimal packaging and repair;

: Develop a national Circular Economy Strategy to develop markets for recyclable products.

On 27 April 2018, Australia's Environment Ministers announced a range of measures to set a sustainable path for Australia's waste, including by:

- endorsing a target of 100 per cent of Australian packaging being recyclable, compostable or reusable by 2025 or earlier
- endorsing the development of targets for use of recycled content in packaging
- encouraging waste reduction strategies through greater consumer awareness, education, and with industry leadership
- working together on expanding and developing Australia's recycling industry
- advocating for the use of recycled materials in the goods that government and industry buy
- exploring opportunities to advance waste to energy and waste to biofuels projects.

Ministers also agreed to bring forward an update of the 2009 *National Waste Policy: Less Waste, More Resources* by the end of 2018 which will include circular economy principles. The Australian Local Government Association participated as an observer at the Meetings of the Environment Ministers and the preceding Senior Officials meetings that led to these resolutions. The full statement made by Environment Ministers can be viewed on the Department of the Environment and Energy's website.

Since the announcement, the Department of the Environment and Energy has been working closely with industry, states and territories and the Australian Local Government Association to deliver on these commitments.

Resolution 7.3

The National General Assembly calls on the Australian government to collaborate with State and Local Governments and the recycling industry sector to investigate alternatives to exporting recyclable waste materials to China, including increased government and public procurement of products with Australian recycled content; investing in local recycling infrastructure that maximises the economic value of recovered materials; and/or changes to packaging regulation.

Australia is one of over 100 countries affected by China's new restrictions, affecting around 1.3 million tonnes of our recyclable waste. This accounts for four per cent of Australia's recyclable waste, but 35 per cent of recyclable plastics and 30 per cent of recyclable paper and cardboard.

Solving the 1.3 million tonnes of recyclable waste is an urgent and important issue which requires a coordinated approach from supply right through to demand. It is also an opportunity for Australia to develop its capabilities and capacity in recycling through effective cooperation and collaboration among the three levels of government.

On 27 April 2018, Australia's Environment Ministers agreed to a suite of measures, including supply and demand measures that will improve how Australia manages waste and recycling. Ministers also agreed to bring forward an update of the 2009 *National Waste Policy: Less Waste, More Resources* by the end of 2018 which will include circular economy principles. The Australian Local Government Association participated as an observer at the Meetings of the Environment Ministers and the preceding Senior Officials meetings that led to this resolution. The full statement made by Environment Ministers can be viewed on the Department of the Environment and Energy's website.

Resolution 7.4

The National General Assembly calls on the Australian Government to develop an Australian Standard for compostable takeaway food and beverage containers and a nationwide labelling standard for recyclable and compostable takeaway food and beverage containers by 2020.

On 27 April 2018, Australia's Environment Ministers agreed to the ambitious target that 100 per cent of Australian packaging be recyclable, compostable or reusable by 2025 or earlier to cut down on the amount of waste we produce. The 100 per cent target will be delivered by the Australian Packaging Covenant Organisation, working with its 950 member companies. The Australian Local Government Association participated as an observer at the Meetings of the Environment Ministers and the preceding Senior Officials meetings that led to this resolution.

This builds on other initiatives currently underway to improve the information provided to consumers and businesses about what packaging can be recycled or composted.

Resolution 7.5

That the National General Assembly advocate the following:

- 1) That the Federal Government commence an enquiry into the future of the waste and recycling sector in Australia, to review the current practices of waste to landfill and recyclables being sent overseas which are no longer sustainable or viable.*
- 2) That the Federal Government implement policy settings that support a philosophy that views waste as a resource and resets the waste and recycling industry to move towards establishing a sustainable and viable waste and recycling resource recovery industry.*
- 3) That the Federal Government invest in supporting market development, technologies and the associated local industries in creating and expanding potential end market uses of recovered resources.*

The update of the National Waste Policy will set a framework for waste and recycling in Australia. The new policy will be underpinned by circular economy principles which value waste as a resource. By applying the principles of a circular economy, we can support better and repeated use of our resources, and continue the move away from a linear concept of 'make, use and dispose'.

A recent Senate inquiry into waste and recycling in Australia, including the necessary infrastructure, has just concluded and heard from a wide range of stakeholders. The Australian Government is currently considering the recommendations of the inquiry.

Resolution 24

That this National General Assembly calls on the Commonwealth Government to provide more support to Local Government for the collection and disposal of hazardous wastes.

The Australian Government supports the state, territory and local governments in their role as primary regulators and managers of hazardous waste, including those hazardous wastes coming from households. The focus of Australian Government action on hazardous wastes is ensuring our international obligations, such as under the Basel and Stockholm Conventions are met, including through administering our national legislation on hazardous waste movement and providing national data and reporting.

Resolution 25

That the National General Assembly call for a ban be placed on wet wipes incorrectly marketed as "flushable toilet wipes" due to their negative impact on sewer lines and sewerage processing facilities.

The update of the National Waste Policy will consider work to identify, prioritise and respond in a nationally-coordinated way to problematic products, particularly those that are single-use and go on to have negative consequences for our environment.

Resolution 26

That the National General Assembly:

- 1) Requests the Federal Government to investigate options for the implementation of a National Container Deposit Scheme to ensure consistency of operation in all states and territories.*
- 2) Supports the implementation of a National Container Deposit Scheme to increase recycling of beverage containers.*

The Department of the Environment and Energy's current focus on packaging is working with the Australian Packaging Covenant Organisation to implement the new national targets announced by Australian Environment Ministers on 27 April 2018 – that 100 per cent of Australian packaging recyclable, compostable or reusable by 2025 or earlier, including food and beverage containers.

Six states and territories have introduced or committed to container deposit schemes, to stop beverage containers getting into the environment. South Australia, the Northern Territory, the Australian Capital Territory and New South Wales already have a scheme in place. Queensland and Western Australia will roll out schemes on 1 November 2018 and in 2020 respectively. Tasmania committed funds for 2017-18 to enable consideration of an appropriate model framework to establish a scheme.

The Australian Government continues to encourage states and territories to consider approaches for reducing litter that align with their waste management objectives and, which together, ensure national coverage as in the case of Container Deposit Schemes.

Resolution 33

That the National General Assembly lobby for the establishment of a national Natural Resource Management Program which is focussed on the delivery of on-ground land management activities which protect and restore the environment and result in improved environmental outcomes through greater community engagement and participation.

The Australian Government is investing more than \$1 billion in the next phase of the National Landcare Program, which is a key part of its commitment to natural resource management. The investment will be delivered by the Department of the Environment and Energy and the Department of Agriculture and Water Resources and will include a range of measures to protect Australia's biodiversity, and support natural resource management and sustainable agriculture.

Regional Land Partnerships is the largest sub-program under the National Landcare Program, worth \$450 million over five years from 2018-19 to 2022-23, and will deliver national Landcare priorities at a regional and local level. Community engagement is a key theme of the Regional Land Partnerships Program, with at least 20 per cent of project budgets supporting small, on-ground projects that are delivered by, or directly engage with the local Landcare community. Indigenous involvement is also a key theme with at least four per cent of a Service Provider's workforce and/or subcontractors required to be Indigenous.

Resolution 65

The National General Assembly encourages all options be explored by Federal and State governments to put downward pressure on retail electricity and gas charges.

The Australian Government understands the effect rising energy costs have on individuals, families and businesses. While the Government has a national leadership role in energy policy, state and territory governments retain primary responsibility for the delivery of energy services.

In light of concerns around recent electricity price increases on the east coast, the Government has taken decisive action to reduce energy prices. This includes:

- responding to the recommendations of the Australian Consumer and Competition Commission (ACCC) Retail Electricity Pricing Inquiry Report. For instance, the Government will implement the ACCC recommendation for a default electricity market offer and associated reforms to improve the transparency of retail pricing and to empower consumers in the retail market.
- the Australian Government has also directed the ACCC to continue to monitor prices, profits and margins in the National Electricity Market, with an initial report due March 2019.
 - This reporting mechanism will ensure that retailers don't respond to the introduction of the default offer by increasing prices for customers.
- abolishing the ability of energy networks to appeal the decisions of the Australian Energy Regulator – a critical reform as networks have previously used the appeals mechanism to add \$6.5 billion on to consumers' electricity bills
- ensuring that spot LNG is offered to the Australian domestic gas market prior to selling to overseas customers with the introduction of new regulations in the gas sector to give. In addition, new rules have been also introduced to govern the transportation of gas to increase efficiency and liquidity in the gas market. The changes are already exerting downward pressure on gas prices.

Resolution 82

That the National General Assembly call on the Australian Government to support initiatives by councils, working with local businesses and communities, to develop and implement local and regional Climate Change Adaptation Plans, thereby improving the sustainability and resilience of local communities and regions.

The 2015 National Climate Resilience and Adaptation Strategy sets out the different and complementary roles governments, businesses and the community play for adaptation to climate change. State, territory and local governments play a major role in the direct management of climate related risks, while the Australian Government has a major role in the provision of supporting climate science information.

The Australian Government supports initiatives by local government to develop and implement climate change adaptation plans. For example, the Australian Government funded CoastAdapt, a tool which gives local governments an accessible means of identifying, assessing and responding to climate risks in the coastal zone. CoastAdapt can be accessed at: coastadapt.com.au.

The Australian Government funded national climate change projections are a comprehensive set of climate projections developed for Australia. These are available on the Climate Change in Australia website (climatechangeinaustralia.gov.au) released by CSIRO and the Bureau of Meteorology in early 2015. The climate change projections use up to 40 global climate models and are presented for eight regions of Australia. The website includes 14 interactive tools, including a Regional Climate Explorer tool, a tool which presents statements of projected change for each region, through to a projections data download facility, the Climate Futures Tool.

The Australian Government is developing a National Climate Science Strategy, expected to be completed this year, to guide future investment in climate science.

Resolution 83

That the National General Assembly calls for the Commonwealth and State Governments to provide climate change funding to assist local government and communities to implement emission reduction projects.

Emissions Reduction Fund

The Australian Government has allocated \$2.55 billion to the Emissions Reduction Fund. Businesses, local councils, state governments, land managers and others can earn Australian carbon credit units (ACCUs) through the Fund by running projects to reduce emissions. The Fund provides a broad range of opportunities to reduce emissions across the economy. Over 700 projects have been registered under many eligible activities, including energy efficiency, waste management, revegetation, livestock management and savanna fire management.

Clean Energy Finance Corporation: Opportunities for Local Government

Australian local councils can invest in a range of clean energy technologies to help reduce energy costs and lower emissions, drawing on tailored Clean Energy Finance Corporation (CEFC) finance options. Through the Local Government Finance Program the CEFC provides flexible and competitive fixed-rate, long-term finance for councils, targeting major investment projects with the potential to make a significant difference to a council's energy consumption. CEFC loans are tailored to each council's needs. The CEFC will work with each council to develop a fit for purpose debt structure to support the council's investment plans.

Key elements of the CEFC Local Government Finance Program include:

- finance for eligible projects across renewable energy, energy efficiency and low emissions technologies
- finance can be drawn over three years
- ability for multiple councils to enter into joint financing agreements for eligible shared projects
- access to competitive fixed-rate longer-dated senior debt, up to 10 years
- a straightforward approval process with simple loan documentation.

Australian Renewable Energy Agency

The Australian Renewable Energy Agency (ARENA) provides grant funding to projects that help develop and commercialise innovative renewable energy technologies and business models. While ARENA typically funds companies and researchers undertaking innovative projects, local government and communities are an essential part of project success. For example, a local community might act as a testbed for an innovative business model testing how distributed energy can support affordable and reliable electricity supply.

Resolution 84

That the National General Assembly lobby for a national, unified and community-minded approach to the solution and management of Flying Foxes.

The Department of the Environment and Energy works with State, Territory and Local Governments on flying-fox management, and recognises the substantial effort and investment being made across the levels of government. Flying-fox management was discussed by Environment Ministers and the Australian Local Government Association at the most recent Meeting of Environment Ministers on 27 April 2018. Environment Ministers agreed to collaborate on the management of flying foxes which included approving a response to the House of Representatives Inquiry into the Management of Flying-Foxes in the Eastern States, ahead of the next Meeting of Environment Ministers in December 2018. This response will provide a valuable step toward a collaborative approach to flying-fox management.